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D/ICS-0614-82

Executive Registry
82-4512

4 March 1982

MEMORANDUM FOR: DDCI

FROM:

C/CCIS/ICS

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SUBJECT: U.S. Government Purchase of East German Typewriters

1. Your guidance is sought in expressing an intelligence opinion on a contract now under consideration by GSA to purchase typewriters from East Germany.

2. Background: GSA recently requested bids from prospective suppliers of manual typewriters for use by the U.S. Government. No U.S. company responded and, of the foreign bidders, the East German bid was the lowest by about \$40 per unit. The East German machine may not fully meet U.S. specifications because it has a pitch of 11.5 instead of 12 characters per inch; however, it has not been determined whether this discrepancy is disqualifying. Other bidders included companies from Mexico, Brazil, Italy and Poland.

3. The typewriters would be used by all Government agencies but, being manual, the most likely significant applications are in military field units, in remote locations or in locations where electrical or interference problems prevent use of electric typewriters. I am also informed that manual typewriters are commonly used for keeping logs in communications centers.

4. Informal contact with GAO indicates that GAO personnel are concerned about the possibility that the purchase of the East German machines might have security implications, but there is little that can be done unless GSA is told that security concerns actually exist. In doing so, however, indications are that GSA will react to almost any simple statement of security concern.

5. The situation was brought to my attention by DO CI personnel. Their assessment and that of my staff is that the purchase and use of the East German typewriters represents a potential security vulnerability. The vulnerability is limited, however, and to some degree depends on repair service and repair parts arrangements. Potential threats are:

- Modification of the typewriters during manufacture to create a more exploitable acoustic signature.

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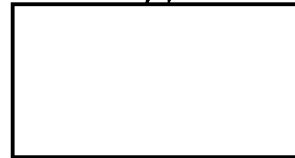
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- Insertion of "Trojan horse" devices to create exploitable non-acoustic signals.
- Replacement of standard parts during repair with parts which create exploitable acoustic or non-acoustic signals.
- Increased East German HUMINT opportunities as a result of contacts with U.S. personnel.
- Possible interruption of spare parts and service in the event of strained East-West relations.

6. There are three levels at which concern could be expressed to GSA regarding the contract:

- a. Express concern, in general terms, that the contract is not in the best interests of the U.S.
- b. State that the contract has national security ramifications which, while not in themselves disqualifying, should be considered before the contract is let.
- c. Object to award of the contract to the East Germans on national security grounds.

7. Based on your guidance, I will have my staff draft a letter to GSA for your signature at one of these levels or, alternatively, let the matter go.



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DDCI Action:

No letter \_\_\_\_\_

Draft letter using level 6.a. \_\_\_\_\_

Draft letter using level 6.b. \_\_\_\_\_

Draft letter using level 6.c. \_\_\_\_\_

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